

BEFORE THE SECURITIES COMMISSIONER  
STATE OF COLORADO

Order No. 14-L-08

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ORDER OF EXEMPTION FROM INVESTMENT ADVISER LICENSING

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IN THE MATTER OF VECTRA DFP, LLC

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WHEREAS, pursuant to §11-51-402(5)(b), C.R.S., Vectra DFP, LLC a Colorado limited liability company, has requested, through its attorneys, that the Securities Commissioner issue an Order of Exemption pursuant to the terms of which Vectra DFP, LLC and its affiliates ("Vectra") shall be exempt from the Colorado investment adviser licensing requirement set forth in §11-51-401(1.5), C.R.S.; and

WHEREAS, in connection with said request, Vectra has represented as follows:

1. Vectra is a private oil and natural gas exploration and development company with headquarters in Littleton, Colorado. Vectra was formed in early 2014, and each of its principals has been in the oil and natural gas business at least 17 years, primarily in the area of exploration and production.

2. Vectra desires to enter into a business relationship with an institutional investor under which the principals of Vectra will form a Colorado limited liability company which will act as the sole general partner (the "GP") of two Delaware limited partnerships whose sole limited partner will be the institutional investor. The purpose of each limited partnership will be to form and capitalize a separate operating subsidiary limited liability company whose sole purpose will be to buy, develop, hold, manage, create and dispose of "operating mineral interests" as defined in Section 614 of the Internal Revenue Code of 1986, as amended. Each operating subsidiary will engage solely in the oil and natural gas exploration and production business. In connection therewith, the Vectra principals will be conducting exclusively all the activities of an oil and gas exploration company.

3. Neither Vectra nor the GP will receive a management fee for their work on behalf of any limited partnership.

4. The sole investor is a highly sophisticated, institutional, knowledgeable investor. The institutional investor has a significant net worth, is able to fend for itself, and has the financial wherewithal to retain highly qualified business, financial, tax and legal advisors. The sole investor will represent that it is

both an "accredited investor" as defined in Regulation D promulgated by the U.S. Securities and Exchange Commission as well as a "qualified purchaser" as defined in Section 2(a)(51) of the Investment Company Act of 1940, 15 USC 80c-2. It will also represent that it has such knowledge and experience in financial and business matters and is capable of evaluating the merits and risks of its investments and making an informed investment decision with respect thereto; and it is able to bear the economic and financial risk of its investments in the limited partnerships for an indefinite period of time.

5. Vectra believes the exemption request is appropriate and in the interest of the public in that Vectra is working only with one sophisticated, institutional investor in the above endeavors. Vectra is engaging primarily in customary oil and gas exploration and production business and is seeking to deploy capital to purchase, hold, develop and sell oil and gas properties and conduct associated activities. The principals of Vectra have never been affiliated with an investment adviser or broker-dealer.

WHEREAS, pursuant to §11-51-704(2), C.R.S., the Securities Commissioner finds that the issuance of this Order is appropriate in the public interest and is consistent with the purposes and provisions of the Colorado Securities Act;

NOW THEREFORE, IT IS HEREBY ORDERED as follows:

1. Pursuant to §11-51-402(5)(b), C.R.S., Vectra shall be exempt from the investment adviser licensing provisions set forth in §11-51-401(1.5), C.R.S., and by operation of §11-51-402(6), C.R.S., its principals, Kevin G. Heringer, David D. Haber, and Paul E. Hyams, shall not be required to license as investment adviser representatives with respect to their above described activities for Vectra.

2. This Order is issued so based on the facts and representations as stated above. Any change in those facts or circumstances described might require a different response. The fact that an exemption from licensure has been issued does not constitute a finding by the Colorado Securities Commissioner that he has passed in any way upon the merits or qualifications of or has recommended or given approval to any person. It is unlawful to make, or cause to be made, to any prospective purchaser, customer or client, any representation inconsistent with the foregoing.

DATED at Denver, Colorado this 15<sup>th</sup> day of August, 2014.



  
Gerald Rome  
Securities Commissioner